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REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995

Reorganization of the Department of Administration and Management

Fourteenth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the reorganization of the Department of Administration and Management (A/C.5/48/72). During the consideration of the report, the Committee met with the Under-Secretary-General of the Department of Administration and Management and received additional information in response to its requests.

2. Paragraphs 1 to 5 provide a background to the current submission; in paragraph 5 of his report, the Secretary-General refers to the Advisory Committee's report on high-level posts (A/C.5/48/9 and Corr.1 and Add.1) and in particular the recommendation that the Secretary-General should resubmit two proposals for the senior structure of the Department of Administration and Management, taking into account the relevant views and decisions of the General Assembly and the need to elaborate upon and fully explain and justify those proposals.

3. Strategic objectives for the Department are described in paragraphs 6 to 9, and its functional responsibilities are described in paragraphs 10 to 15 of the Secretary-General's report. The proposals of the Secretary-General for a revised managerial structure are presented in paragraphs 16 to 30 of the report.

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* Reissued for technical reasons.

4. In response to questions, the representative of the Secretary-General explained to the Committee that the reorganization of his department was motivated by four main concerns:

- placing the Organization on a sound financial basis;

- completing the Integrated Management Information System;

- reorienting the budget process to ensure that the budget is responsive to the needs of Member States and submitted on a timely basis;

- improving the management of human resources.

The Advisory Committee trusts that these concerns will be addressed so as to help to ensure the full implementation of mandated activities and objectives approved by the Member States. The Committee points out that there are other areas of concern which need to be addressed, including ensuring that the optimum level of conference services is delivered to Member States efficiently and in a cost-effective manner as well as the establishment of an effective procurement system.

5. The Advisory Committee notes that the proposals for the reorganization of the Department of Administration and Management have taken into account previous proposals of the Secretary-General and the reactions thereon of the Advisory Committee and the General Assembly. The Committee trusts that the arrangements to be put in place will bring organizational stability and will allow the officials concerned to concentrate on the substantive carrying out of their responsibilities.

6. The Committee trusts further that in the implementation of this reorganization, care will be taken to ensure that the control functions specified in the Financial Regulations and Rules of the United Nations are clearly assigned.

7. In paragraphs 22 and 23 of his report, the Secretary-General states that:

> "[T]he Under-Secretary-General, as the official ultimately accountable, will be actively involved in each functional responsibility and serve as the collective leader rather than merely as the head of the Department";

and that:

> "The objective of accountability and responsibility is furthered by the designation of three assistant secretaries-general who, in addition to assisting the Under-Secretary-General in overall policy-making, will serve as operational managers in their respective areas."

8. The representative of the Secretary-General explained his concept of a "front office" to the Committee in which he and the Assistant Secretaries-General would work in close proximity and would participate collectively in decision-making. The Advisory Committee agrees that this management style may

prove an innovative approach to creative problem solving; however, the Committee trusts that clear lines of authority and accountability will be maintained.

9. In paragraph 5 of annex II to the Secretary-General's report, the proposal is made to formalize the temporary redeployment of an assistant secretary-general post from the Department of Administration and Management to the Office for Inspections and Investigations. In view of discussions now ongoing in the Fifth Committee which may have an impact on the future of the Office for Inspections and Investigations, the Advisory Committee recommends that no action be taken on that proposal at this time.

10. Annex II, paragraph 5, also contains a proposal to redeploy two D-2 posts to the Department of Administration and Management, one from the Department of Political Affairs (in Geneva) and the other from the Department for Development Support and Management Services. The Committee understands that both of these posts would be used for Conference and Support Services, one for a Director and Deputy to the Assistant Secretary-General for Conference and Support Services and the other to head the Buildings and Commercial Services Division. The Committee does not object to the proposed redeployment. It notes, however, that with the addition of a Deputy for Conference Services there will be two deputies to the Assistant Secretary-General for Conference and Support Services, thus creating three levels of supervisory management in that area (there are two levels of supervisory management in Programme Planning, Budget and Accounts and Human Resources Management). The Committee points out that an alternative to this arrangement could have been an Assistant Secretary-General for Support Services instead of the two D-2 posts and that this might have provided a better-defined line of authority and direction both for Conference Services and for the Support Division. The Committee intends to keep these and other matters under review in the context of its consideration of the proposed programme budget for 1996-1997.